

**2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1901/lins
MDK:.....

1

INSERT 7A:

an
If a TU or ATU must file a new tariff to comply with the foregoing requirement, and the tariff includes intrastate switched access rates that are higher than the rates the TU or ATU charged on January 1, 2011, the PSC must approve the tariff, unless certain exceptions are satisfied.

2

INSERT 35-19:

③ Notwithstanding any other provision of this chapter, except to enforce this section
and s. 196.191(2) (d) ^{2.} ~~(2)~~ a. and 196.219 (2r), and except to enforce s. 196.191 (3) (b) only
to allow intrastate switched access rates to mirror interstate switched access rates.

6

INSERT 51-6:

7

SECTION ~~196.81~~ 196.81 (3) of the statutes is amended to read:

8

196.81 (3) This section does not apply to a service discontinuance by a

9

telecommunications public utility that is a telecommunications provider.

History: 1973 c. 157; 1977 c. 29, 203, 418; 1983 a. 53; 1985 a. 297; 1993 a. 496.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1901/1dn
MDK:.....

WJ

Date

However, note that telecommunication
utilities are still subject
to § 196.191 (2) with respect to
abandonment
is that okay?

of rights-of-
way

Rep. Honadel:

This version is identical to the previous version, except for the following:

- ✓ 1. The analysis contains revisions.
- ✓ 2. Section 196.191 (2) (intro.) includes "Except as provided in this section and s. 196.212."
- ✓ 3. Section 196.191 (2) (a) and (b) include references to ^{the} terms and conditions. ✓
- 5 ✓ 4. Section 196.191 (3) (b) refers to filing a new tariff to comply with s. 196.191 (1).
- 6 ✓ 5. Section 196.212 (2) (title) and (3) (title) are revised.
- 7 ✓ 6. Section 196.212 (2) (b) 1. and (4) (a) are revised.
- 8 ✓ 7. Section 196.503 (3) (b) 2. refers to s. 196.195 (2), 2009 stats.
- 9 ✓ 8. Section 196.81 (3) is amended ^{to exempt} ^{discontinuances by public} ^{utilities that are} ^{telecommunications} ^{provision}

Mark D. Kunkel
Senior Legislative Attorney
Phone: (608) 266-0131
E-mail: mark.kunkel@legis.wisconsin.gov

Ⓐ 4. Because § 196.191 (2) (intro) refers to telecommunication
utilities and alternative telecommunications utilities, it is
redundant to refer to them again in § 196.191 (2) (c) and
(d) Therefore, this version corrects that redundancy.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1901/1dn
MDK:wlj:rs

April 20, 2011

Rep. Honadel:

This version is identical to the previous version, except for the following:

1. The analysis contains revisions.
2. Section 196.191 (2) (intro.) includes "Except as provided in this section and s. 196.212."
3. Section 196.191 (2) (a) and (b) include references to "the terms and conditions."
4. Because s. 196.191 (2) (intro.) refers to telecommunications utilities and alternative telecommunications utilities, it is redundant to refer to them again in s. 196.191 (2) (c) and (d) 1. Therefore, this version corrects that redundancy.
5. Section 196.191 (3) (b) refers to filing a new tariff to comply with s. 196.191 (1).
6. Section 196.212 (2) (title) and (3) (title) are revised.
7. Section 196.212 (2) (b) 1. and (4) (a) are revised.
8. Section 196.503 (3) (b) 2. refers to s. 196.195 (2), 2009 stats.
9. Section 196.81 (3) is amended to exempt service discontinuances by public utilities that are telecommunications providers. However, note that telecommunications utilities are still subject to s. 196.81 (2) with respect to abandonment of rights-of-way. Is that okay?

Mark D. Kunkel
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Phone: (608) 266-0131
E-mail: mark.kunkel@legis.wisconsin.gov

Barman, Mike

From: Barman, Mike
Sent: Wednesday, April 20, 2011 1:43 PM
To: Vick, Jason
Subject: RE: FE to LRB 1901/1 (un-introduceed)

Jason,

I submitted your "Early FE" request to DOA for assignment ... please let me know if I can be of further assistance.

Mike Barman (Lead Program Assistant)
State of Wisconsin - Legislative Reference Bureau
Legal Section - Front Office
1 East Main Street, Suite 200, Madison, WI 53703
(608) 266-3561 / mike.barman@legis.wisconsin.gov

From: Vick, Jason
Sent: Wednesday, April 20, 2011 1:36 PM
To: Barman, Mike
Subject: FE to LRB 1901/1
Importance: High

Mike,

We are anticipating holding a hearing on this bill next Wednesday (April 27), so we need to request a FE before introducing it as a bill later this week.

<< File: 11-19011.pdf >>

Thanks,

Jason Vick

Office of Rep. Mark Honadel
21st Assembly District
608-266-0611

Kunkel, Mark

From: Lovell, David
Sent: Thursday, April 21, 2011 11:05 AM
To: Kunkel, Mark
Subject: RE: 2 typos in LRB-1901/1
his explanation makes sense to me -- thanks

David L. Lovell, Senior Analyst
Wisconsin Legislative Council Staff
608/266-1537

From: Kunkel, Mark
Sent: Thursday, April 21, 2011 10:56 AM
To: Lovell, David
Subject: FW: 2 typos in LRB-1901/1

See response to item 2. It's not a typo.

From: CHORZEMPA, DAVID J (Legal) [mailto:dc1928@att.com]
Sent: Thursday, April 21, 2011 10:39 AM
To: Kunkel, Mark; Vick, Jason
Subject: RE: 2 typos in LRB-1901/1

I think we may have some other changes based on some engagement we're having with a new party (very very small), so you'll be able to make these edits. I agree with number 1. However, on number 2, I think both references are to intrastate. The intent is that as of the effective date of the bill large nonincumbents are to first freeze their intrastate access rates at January 1, 2011 levels (except for increases that result in mirroring) and then, starting in year 4, begin to reduce their rates to get to mirroring. Right?

DJC

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, April 21, 2011 10:35 AM
To: Vick, Jason; CHORZEMPA, DAVID J (Legal)
Subject: 2 typos in LRB-1901/1

David Lovell of Leg. Council found the following typos. If the bill has not been introduced yet, I can quickly do a /2 that fixes them. Of course, if you have found other issues, we could also address them in a /2. If it is too late to do that, we will need to do an amendment to fix them. Please let me know how to proceed.

1. On page 33, line 16, the title should read "New nonincumbents" instead of "New incumbents."

4/21/2011

2. Page 33 line 23 should refer to "interstate" rates, not "intrastate" rates.

Mark D. Kunkel
Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-0131

not a
typo

Kunkel, Mark

From: CHORZEMPA, DAVID J (Legal) [dc1928@att.com]
Sent: Thursday, April 21, 2011 1:40 PM
To: Kunkel, Mark
Subject: RE: 2 typos in LRB-1901/1

Correct.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, April 21, 2011 1:36 PM
To: CHORZEMPA, DAVID J (Legal)
Subject: RE: 2 typos in LRB-1901/1

Another typo is on page 33, line 24. There is a "to" that should be struck. So, it should read, "reduce ... rates as follows" instead of "reduce ... rates to as follows."

From: CHORZEMPA, DAVID J (Legal) [mailto:dc1928@att.com]
Sent: Thursday, April 21, 2011 11:00 AM
To: Kunkel, Mark
Subject: RE: 2 typos in LRB-1901/1

I caught it yesterday and gasped and then realized it was ok.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, April 21, 2011 10:55 AM
To: CHORZEMPA, DAVID J (Legal); Vick, Jason
Subject: RE: 2 typos in LRB-1901/1

Sorry about no. 2. You're right that it isn't a typo.

From: CHORZEMPA, DAVID J (Legal) [mailto:dc1928@att.com]
Sent: Thursday, April 21, 2011 10:39 AM
To: Kunkel, Mark; Vick, Jason
Subject: RE: 2 typos in LRB-1901/1

I think we may have some other changes based on some engagement we're having with a new party (very very small), so you'll be able to make these edits. I agree with number 1. However, on number 2, I think both references are to intrastate. The intent is that as of the effective date of the bill large nonincumbents are to first freeze their intrastate access rates at January 1, 2011 levels (except for increases that result in mirroring) and then, starting in year 4, begin to reduce their rates to get to mirroring. Right?

DJC

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, April 21, 2011 10:35 AM
To: Vick, Jason; CHORZEMPA, DAVID J (Legal)
Subject: 2 typos in LRB-1901/1

David Lovell of Leg. Council found the following typos. If the bill has not been introduced yet, I can quickly do a /2 that fixes them. Of course, if you have found other issues, we could also address them in a /2. If it is too late to do that, we will need to do an amendment to fix them. Please let me know how to proceed.

1. On page 33, line 16, the title should read "New nonincumbents" instead of "New incumbents." ✓
2. Page 33 line 23 should refer to "interstate" rates, not "intrastate" rates. → not a typo ✓

Mark D. Kunkel
Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-0131

Kunkel, Mark

From: Vick, Jason
Sent: Thursday, April 21, 2011 11:23 AM
To: Kunkel, Mark
Subject: Drafting changes to LRB 1901
Attachments: Section 71 (CTel Revision).docx

Mark,

Attached are the changes, to give you a start. We have one more change coming (a final tweak to 196.205) and then that should be it. Will get that to you as soon as we can.

I have also been informed that this will now be a Special Session bill. Does that mean it needs to be redrafted as such?

Thanks,

Jason Vick

Office of Rep. Mark Honadel
21st Assembly District
608-266-0611

4/21/2011

Change 196.212(3) as shown in redline below (changes are also highlighted in yellow)

(3) LARGE INCUMBENT LOCAL EXCHANGE CARRIERS. A large incumbent local exchange carrier shall reduce its intrastate switched access rates to no higher than the large incumbent local exchange carrier's interstate switched access rates as follows:

(a) Beginning on the effective date of this paragraph [LRB inserts date], the large incumbent local exchange carrier may not charge intrastate switched access rates higher than the intrastate switched access rates it charged on January 1, 2011.

(b) No later than two years after the effective date of this paragraph [LRB inserts date], the large incumbent local exchange carrier shall reduce its intrastate switched access rates by an amount equal to 25 percent of the difference between its intrastate switched access rates in effect prior to the reduction and its interstate switched access rates in effect prior to the reduction.

(c) No later than 3 years after the effective date of this paragraph [LRB inserts date], the large incumbent local exchange carrier shall further reduce its intrastate switched access rates by an amount equal to 33 percent of the difference between its intrastate switched access rates in effect prior to the reduction and its interstate switched access rates in effect prior to the reduction.

(d) No later than 4 years after the effective date of this paragraph [LRB inserts date], the large incumbent local exchange carrier shall further reduce its intrastate switched access rates by an amount equal to 50 percent of the difference between its intrastate switched access rates in effect prior to the reduction and its interstate switched access rates in effect prior to the reduction.

(e) No later than 5 years after the effective date of this paragraph [LRB inserts date], the large incumbent local exchange carrier shall further reduce its intrastate switched access rates to mirror its interstate switched access rates in effect prior to the reduction and, beginning no later than that date, may not charge intrastate switched access rates that are higher than its interstate switched access rates.

Deleted: one

Deleted: 2

Deleted: 3

Deleted: 4

Kunkel, Mark

From: Vick, Jason
Sent: Thursday, April 21, 2011 2:25 PM
To: Kunkel, Mark
Subject: Last Revision to LRB 1901
Attachments: Revised s 196.205 re. STU (00861827).doc

Mark,

Here is the final change to the draft. Can you estimate when the changes might be completed on this?

Thanks so much for your patience and hard work on this draft.

Jason Vick

Office of Rep. Mark Honadel

21st Assembly District

608-266-0611

4/21/2011

Note: This is how we'd like 196.205 to be revised. 196.205(2) would still be repealed. Essentially, this would replace the language in Section 70 of the last draft.

196.205 Election of rate regulation ~~of telecommunications cooperatives.~~

~~(1m)~~ A telecommunications cooperative, ~~or~~ an unincorporated telecommunications cooperative association or a small telecommunications utility may elect to be subject to ss. 196.28 and 196.37 as they apply to any rate, toll or charge and to ss. ~~196.02 (2), 196.09 (1), s. 196.11 (2) and , 196.20 and 196.26~~ in any of the following ways:

~~(a)~~ (1) By amendment of the following:

(a) the articles of incorporation of the cooperative under s. 185.51,

(b) ~~or~~ the articles of organization of the association under s. 193.221.

(c) the article of incorporation of the small telecommunications utility under s. 180.1001, or the articles of organization of the small telecommunications utility under s. 183.0120.

~~(e)~~ (2) By a majority of the following:

(a) the voting members of the board of directors of the cooperative, ~~or~~ association or small telecommunications utility.

(b) the voting members of the small telecommunications utility.

Kunkel, Mark

From: Kunkel, Mark
Sent: Thursday, April 21, 2011 4:58 PM
To: 'Judd A. Genda'
Subject: RE: FYI

Judd, I'm leaving for the day, but will be in tomorrow am.

-- Mark

*Spoke to Judd 4-22:
 - my X-ref fix is
 OK
 - revise reg. to
 refer to LLC.
 - MOK*

From: Kunkel, Mark
Sent: Thursday, April 21, 2011 4:34 PM
To: 'CHORZEMPA, DAVID J (Legal)'; Judd A. Genda
Subject: RE: FYI

Judd,

Looking at this further, I realize that board of directors of small telcom utility is taken care of in your 196.205 (2) (a). As for your 196.205 (2) (b), can I say, "If the small telecommunications utility is not organized as a corporation, the voting members of the small telecommunications utility"?

Also, I need the correct reference to replace s. 183.0120. Did you mean 183.0203, which is amendment of articles of organization of an LLC?

-- Mark

From: CHORZEMPA, DAVID J (Legal) [mailto:dc1928@att.com]
Sent: Thursday, April 21, 2011 3:37 PM
To: Judd A. Genda
Cc: Kunkel, Mark
Subject: FW: FYI

If it's ok, I'll let Judd Genda answer these questions since he represents the small telecom utilities.

DJC

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, April 21, 2011 3:36 PM
To: CHORZEMPA, DAVID J (Legal)
Subject: RE: FYI

The attached refers to the voting members of the small telecommunications utility. Don't you mean instead the voting members of the board of directors of the small telecommunications utility? See comparable language in s. 196.215(2m)(b):

"A small telecommunications utility that has made itself subject to ss. 196.28 and 196.37 as they apply to any rate, toll or charge and to ss. 196.02 (2), 196.09 (2) to (7), 196.11 (2), 196.20 and 196.26 under sub. (2) (b) may exempt itself from those sections by majority vote of all the voting members of its board of directors."

Also, the attached refers to the articles of organization of the small telecommunications utility under s. 183.0120. That's a typo, right? I can't figure out the proper reference, so let me know what you want.

4/22/2011

From: CHORZEMPA, DAVID J (Legal) [mailto:dc1928@att.com]

Sent: Thursday, April 21, 2011 2:32 PM

To: Kunkel, Mark

Subject: FYI

FYI I already sent to Jason, but in case you don't have it yet

4/22/2011